FOR IMMEDIATE RELEASE

TEMPLE ANNOUNCES PROPOSAL TO AMEND THE TERMS OF ITS 7.25% SERIES E CONVERTIBLE REDEEMABLE UNSECURED SUBORDINATED DEBENTURES DUE SEPTEMBER 30, 2017

MISSISSAUGA, ON (August 18, 2017) – Temple Hotels Inc. (TSX:TPH) ("**Temple**" or the "**Company**") announced today that it will seek approval from holders of its 7.25% series E convertible redeemable unsecured subordinated debentures due September 30, 2017 (TPH.DB.E) (the "**Debentures**") to amend the terms of the Debentures at a meeting of the holders of the Debentures (the "**Debentureholders**") to be held on September 21, 2017 (the "**Meeting**").

The proposed amendments (the "**Debenture Amendments**") to the Debentures (as amended by the Debenture Amendments, the "**Amended Debentures**") consist of:

1) DECREASING the conversion price from $40.08 to $15.00 per share of Temple;
2) EXTENDING the maturity date from September 30, 2017 to September 30, 2020; and
3) PERMITTING Temple to redeem the Amended Debentures, in whole or in part, at any time up to September 30, 2020, at a price equal to the principal amount thereof plus accrued and unpaid interest to, but excluding the date of the redemption.

Contingent on the approval of the Debenture Amendments, Temple will, on September 30, 2017, redeem on a pro rata basis $2,258,200 of the principal amount of Amended Debentures outstanding as at the close of business on September 30, 2017 (the "**Partial Redemption**"). The Partial Redemption will be for a cash payment equal to the principal amount thereof plus accrued and unpaid interest to, but excluding the date of the redemption.

Rai Sahi, Chief Executive Officer, commented: "Over the last several months, Temple has made great strides to strengthen its balance sheet position, and as the economy strengthens in Alberta, we continue to be excited about the opportunity that lies ahead. By extending the maturity of the Debentures, Temple would be provided financial flexibility so that we can continue to focus on key strategic, business and operational targets that will drive the success of the Company for all stakeholders. In addition, we believe that the Debenture Amendments will provide Debentureholders with a longer period of time during which to receive, what we believe to be, an attractive yield."

In each instance of a contemplated redemption of the Amended Debentures, Temple will be required to give not more than 60 days and not less than 30 days' notice of its intention to redeem, whether in whole or in part. All remaining Amended Debentures will be repaid by Temple at the extended maturity date of September 30, 2020.

If the Debenture Amendments are approved by the Debentureholders, the Debenture Amendments will be effective on the date that Temple enters into the second further supplemental trust indenture embodying such amendments.

Board Recommendation

The Board of Directors of Temple (the "**Board**") believes that the Debenture Amendments provide a number of benefits to Temple and its securityholders, including to the Debentureholders.

The Board **UNANIMOUSLY RECOMMENDS** that the Debentureholders vote **FOR** the Debenture Amendments.

Details About the Debenture Amendments

The record date for determining the Debentureholders entitled to receive notice of and vote at the Meeting is August 18, 2017. Further information with respect to the Debenture Amendments will be outlined in the management information circular of Temple (the "**Circular**") to be sent to Debentureholders in connection with the Meeting. For the Debenture Amendments to be approved, at least 66⅔% of the principal amount of the Debentures voted (either in person at the Meeting or by proxy) must be voted in favour of the Debenture Amendments.

Detailed voting instructions will be found in the Circular and accompanying proxy form or voting instruction form. The Meeting is scheduled to be held on September 21, 2017 at 10:00 a.m. (Eastern Time) at the offices of Morguard Corporation, 1000 – 55 City Centre Drive, Mississauga, Ontario L5B 1M3.

The Debenture Amendments are subject to the approval of the Toronto Stock Exchange (the "**TSX**").

About Temple Hotels Inc.

Temple is a growth oriented hotel investment company with hotel properties located across Canada. Temple is listed on the Toronto Stock Exchange under the symbols TPH (common shares), TPH.DB.E and TPH.DB.F (convertible debentures). For further information on Temple, please visit our website at www.templehotels.ca.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements included herein constitute "forward-looking statements". All statements included in this press release that address future events, conditions or results of operations, including in respect of the Debenture Amendments, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as "may", "should", "will", "could", "expect", "intend", "plan", "estimate", "anticipate", "believe", "future" or "continue" or the negative forms thereof or similar variations. Forward looking statements in this press release include, but are not limited to, the expected impact of the Partial Redemption; the expected terms of the Debenture Amendments; the expected effective date of the Debenture Amendments; and the expected benefits of the Debenture Amendments to Temple and to the Debentureholders. These forward-looking statements are based on certain assumptions and analyses made by management in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Debentureholders are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of risks and uncertainties, including, but not limited to that the Debenture Amendments will not be successfully completed for any reason and the risk that, if completed, Temple will not be able to pay the interest and/or repay the principal amount outstanding under the Debentures when due, and that Temple or Debentureholders may not realize the anticipated benefits of the Debenture Amendments, and increases in interest rates. Many of such risks and uncertainties are outside the control of Temple and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In making such forward-looking statements, management has relied upon a number of material factors and assumptions, including with respect to general economic and financial conditions, interest rates, exchange rates, equity and debt markets, business competition, changes in government regulations or in tax laws, acts and omissions of third parties, and the ability of Temple to obtain approval for the Debenture Amendments (including approval from the TSX). Such forward-looking statements should, therefore, be construed in light of such factors and assumptions. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. Temple is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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